AMENDED IN ASSEMBLY MAY 19, 1999

CALIFORNIA LEGISLATURE—1999-2000 REGULAR SESSION

ASSEMBLY BILL

No. 919

Introduced by Assembly Member Dutra

February 25, 1999

An act to amend Section 65589.5 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 919, as amended, Dutra. Land use: local agencies.

Under the Planning and Zoning Law, local agencies are required to make specified findings based upon substantial evidence before disapproving or conditionally approving a housing development project that renders it infeasible for the use of low- and moderate-income households. This law requires that when a proposed housing development project complies with the applicable general plan, zoning, development policies in effect at the time that the project's application is determined to be complete, a local agency may conditionally disapprove the project propose or approve it at a lower density unless the agency bases its decision on written findings supported by substantial evidence on the record that certain conditions exist.

This bill would make changes in these conditions that a local agency is required to find and would revise the definition of "affordable to low- and moderate-income households."

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 65589.5 of the Government Code is amended to read:

65589.5. (a) The Legislature finds all of the following:

- (1) The lack of affordable housing is a critical problem which threatens the economic, environmental, and social quality of life in California.
- (2) California housing has become the most expensive in the nation. The excessive cost of the state's housing supply is partially caused by activities and policies of 10 many local governments which limit the approval of affordable housing, increase the cost of land for affordable 12 housing, and require that high fees and exactions be paid by producers of potentially affordable housing. 13
- (3) Among the consequences of those actions are 15 discrimination against low-income and minority 16 households, lack of housing to support employment growth, imbalance in jobs and housing, reduced mobility, 18 urban sprawl, excessive commuting, and air quality deterioration.
- (4) Many local governments do not give adequate 21 attention to the economic, environmental, and social 22 costs of decisions which result in disapproval of affordable 23 housing projects, reduction in density of affordable 24 housing projects, and excessive standards for affordable housing projects.
- (b) It is the policy of the state that a local government or make infeasible affordable developments which contribute to meeting the housing need determined pursuant to this article without a analysis economic. social. 30 thorough of the environmental effects of the action and without meeting the provisions of subdivision (d).
- 33 (c) The Legislature also recognizes that premature 34 and unnecessary development of agricultural lands to urban uses continues to have adverse effects on the availability of those lands for food and fiber production and on the economy of the state. Furthermore, it is the 37 policy of the state that development should be guided

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agricultural lands; from prime therefore, in away implementing this section, local jurisdictions should encourage, to the maximum extent practicable, in filling existing urban areas.

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- (d) A local agency shall not disapprove a housing lowdevelopment project affordable to moderate-income households or condition approval in a that renders the project infeasible development for the use of low- and moderate-income 10 households unless it finds. based upon substantial evidence, three one of the following:
- (1) The jurisdiction has adopted a housing element 13 pursuant to this article and the development project is 14 not needed for the jurisdiction to meet its share of the housing need of low-. regional verv 16 moderate-income housing.
- (2) The development project as proposed would have 18 a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily 20 mitigate or avoid the specific adverse impact without rendering the development unaffordable to low- and moderate-income households. As used in this paragraph, "specific, adverse impact" means a significant, unavoidable, direct and immediate adverse impact, upon the physical health and safety of the public as provided in written standards, policies, or conditions as they existed on the date the application was deemed complete.
- (3) The denial of the project or imposition of 29 conditions is required in order to comply with specific 30 state or federal law, and there is no feasible method to without rendering the development unaffordable to low- and moderate-income households.
- 33 (4) Approval of the development project would 34 increase the concentration of lower income households in a neighborhood that already has a disproportionately 36 high number of lower income households and there is no feasible method of approving the development at a 38 different site, including those sites identified pursuant to paragraph (1) of subdivision (c) of Section 65583, without

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rendering the development unaffordable to low- and moderate-income households.

- (5) The development project is proposed on land zoned for agriculture or resource preservation which is surrounded on at least two sides by land being used for agricultural or resource preservation purposes, or which does not have adequate water or waste water facilities to serve the project.
- (6) The development project is inconsistent with the 10 jurisdiction's general plan land use designation specified in any element of the general plan as it existed 12 on the date the application was deemed complete, and 13 the jurisdiction has adopted a housing element pursuant 14 to this article.
- (e) Nothing in this section shall be construed to relieve 16 the local agency from complying with the Congestion required 17 Management Program by Chapter 18 (commencing with Section 65088) of Division 1 of Title 19 7 or the California Coastal Act (Division 20 (commencing 20 with Section 30000) of the Public Resources Code). 21 Neither shall anything in this section be construed to 22 relieve the local agency from making one or more of the 23 findings required pursuant to Section 21081 of the Public Code or otherwise complying with 24 Resources Environmental 25 California Quality Act (Division 13 with Section 21000) of the 26 (commencing Public 27 Resources Code).
- (f) Nothing in this section shall be construed to 29 prohibit a local agency from requiring the development 30 project to comply with written development standards, 31 conditions, and policies appropriate to, and consistent 32 with, meeting the quantified objectives relative to the development of housing, as required in the housing 34 element pursuant to subdivision (b) of Section 65583. Nor 35 shall anything in this section be construed to prohibit a 36 local agency from imposing fees and other exactions otherwise authorized by law which are essential 38 provide necessary public services and facilities to the development project.

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(g) This section shall be applicable to charter cities, 2 because the Legislature finds that the lack of affordable housing is a critical statewide problem.

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- (h) The following definitions apply for the purposes of this section:
- (1) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.
- (2) "Affordable to lowand moderate-income households" means at least 20 percent of the total units 12 shall be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, 14 and the remaining units shall be sold or rented to either lower income households or persons and families of 16 moderate to middle income, as defined in Section 50093 of the Health and Safety Code or paragraph (2) of 18 subdivision (c) of Section 65008. Housing units targeted for lower income households shall be made available at a monthly housing cost that does not exceed 30 percent of 21 60 percent of area median income with adjustments for 22 household size made in accordance with the adjustment 23 factors on which the lower income eligibility limits are 24 based. Housing units targeted for persons and families of 25 moderate income shall be made available at a monthly 26 housing cost that does not exceed 30 percent of 100 27 percent of area median income with adjustments for 28 household size made in accordance with the adjustment factors on which the moderate income eligibility limits 30 are based.
- (3) "Area median income" shall mean area median 32 income as periodically established by the Department of 33 Housing and Community Development pursuant 34 Section 50093 of the Health and Safety Code. The 35 developer shall provide sufficient legal commitments to 36 ensure continued availability of units for the lower 37 income households in accordance with the provisions of this subdivision for 30 years.
- 39 (4) "Neighborhood" means a planning commonly identified as such in a community's planning

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documents, and identified as a neighborhood by residing working individuals and within the 3 neighborhood. Documentation demonstrating the that area meets the definition of neighborhood may include a 5 map prepared for planning purposes which lists the name and boundaries of the neighborhood.

- (i) If any city, county, or city and county denies approval or imposes restrictions, including a reduction of allowable densities or the percentage of a lot which may be occupied by a building or structure under the 10 applicable planning and zoning in force at the time the application is deemed complete pursuant to Section 65943, which have a substantial adverse effect on the 14 viability or affordability of a housing development affordable to low- and moderate-income households, and 16 the denial of the development or the imposition of restrictions on the development is the subject of a court action which challenges the denial, then the burden of proof shall be on the local legislative body to show that its 20 decision is consistent with the findings as described in subdivision (d).
- (i) When a proposed housing development project 23 complies with the applicable general plan, zoning, and development policies in effect at the time that the 25 housing development project's application is determined 26 to be complete, but the local agency proposes to disapprove the project or to approve it upon the condition that the project be developed at a lower density, the local agency shall base its decision regarding 30 the proposed housing development project upon written findings supported by substantial evidence on the record that both of the following conditions exist:
- (1) The housing development project would have a 34 specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the 36 condition that the project be developed at a lower density. As used in this paragraph, a "specific, adverse impact" means a significant, unavoidable, direct and immediate adverse impact, upon the physical health and safety of the public as provided in written standards,

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1 policies, or conditions as they existed on the date the 2 application was deemed complete.

3 (2) There is no feasible method to satisfactorily 4 mitigate or avoid the adverse impact identified pursuant 5 to paragraph (1), other than the disapproval of the 6 housing development project or the approval of the 7 project upon the condition that it be developed at a lower 8 density.